

**CITY OF NOVI
COUNTY OF OAKLAND, MICHIGAN**

**RESOLUTION APPROVING OPTING-IN TO THE NATIONAL OPIOID
LITIGATION SETTLEMENT**

Minutes of a Meeting of the City Council of the City of Novi, County of Oakland, Michigan, held in the City Hall of said City on _____, 2021, at ___o'clock P.M. Prevailing Eastern Time.

PRESENT:

Councilmembers _____

ABSENT:

Councilmembers _____

The following preamble and Resolution were offered by Councilmember _____ and supported by Councilmember _____.

WHEREAS, after several years of negotiation, two nationwide settlements have been reached against the three largest pharmaceutical distributors, McKesson, Cardinal Health and AmerisourceBergen and one manufacturer, Janssen Pharmaceuticals, Inc., and its parent company Johnson & Johnson. The settlements require the distributors to pay up to \$21 billion dollars over 18 years and for Janssen to pay up to \$5 billion over 9 years, for a total of \$26 billion. Of the settlement amount approximately \$22.7 billion is earmarked for participating states and state subdivisions to remediate and abate the impacts of the opioid crisis.

WHEREAS, the settlements require the distributors to implement safeguards to prevent the over prescription of opioids and place restrictions on the marketing, sale and distribution of opioids. Michigan has chosen to participate in each settlement. The Distributors will be required to carefully review and report suspicious orders to the state. There will be a national Enforcement Committee to review compliance with the settlements and compliance committees established in the states. Janssen is banned from manufacturing, selling or promoting the sales of opioids in the United States.

WHEREAS, the City of Novi is eligible to participate in the settlements. The settlement with the Distributors indicates that City of Novi is eligible to receive approximately .1466 percent of the 15% allocation the state will receive to distribute to participating subdivisions. The allocation percentage may be modified if the state of Michigan enters into a state specific agreement with the settling parties.

WHEREAS, any funds received from the settlements must be spent on opioid remediation, which is defined in the settlement agreements. However, if a majority of governments that sued the companies do not accept the settlement, the proposed deal will fail, and litigation will continue.

WHEREAS, the two proposed settlements require the participating subdivisions to agree to the settlement terms. The settlements require: i) an agreement to the terms of the settlements; ii) a release of claims; iii) an agreement that monies received can only be spent on opioid remediation and iv) a consent to the jurisdiction of the court where the settlement judgment is filed. The Distributor Release is a release of claims against Distributors and J&J Release is a release of claims against Janssen and Johnson & Johnson.

NOW BE IT THEREFORE RESOLVED the City of Novi elects to participate in the proposed settlements with pharmaceutical distributors, McKesson, Cardinal Health and AmerisourceBergen and the proposed settlement with one manufacturer, Janssen Pharmaceuticals, Inc., and its parent company Johnson & Johnson.

IT IS FURTHER RESOLVED the City of Novi agrees to the terms of the settlements, a release of claims against the companies named in the litigation, the funds received from the settlements to be spent on opioid remediation, as defined in the settlements, and consents to the jurisdiction of the court where the settlement judgments are filed.

IT IS FURTHER RESOLVED the City of Novi authorizes the City Manager to register the City on the National Opioid Settlement website, opt-in to the settlements, consent to the terms of the settlement and such further action as is necessary to receive the settlement funds.

IT IS FURTHER RESOLVED the election, agreement, and authorization in this Resolution are subject to completion of all other necessary actions by the Court and the other parties required to finalize the settlements as described herein.

AYES:

NAYS:

RESOLUTION DECLARED ADOPTED.

Cortney Hanson City Clerk

CERTIFICATION

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Novi, County of Oakland, and State of Michigan, at a regular meeting held this ____ day of _____, 2021, and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting have been kept and made available to the public as required by said Act.

Cortney Hanson, City Clerk
City of Novi